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**UNITED STATES DISTRICT COURT**  
**NORTHERN DISTRICT OF CALIFORNIA**  
**OAKLAND DIVISION**

IN RE LITHIUM-ION BATTERIES ANTITRUST  
LITIGATION

Case No. 13-MD-02420-YGR (DMR)

**DECLARATION OF CHRIS  
WHIPPS (DIGITALPAY) RE FIRST  
ROUND DISTRIBUTION AND  
PROPOSED PLAN FOR SECOND  
ROUND DISTRIBUTION**

This Document Relates to:  
ALL INDIRECT PURCHASER ACTIONS

1 I, Chris Whipps, declare as follows:

2 1. I am employed as CEO of Sipree, Inc., d/b/a DigitalPay, which serves as one of the  
3 Court-appointed Administrators of the Settlements. As the CEO of DigitalPay, I oversee the  
4 administrative and executive services provided in this matter. I make this declaration to further  
5 outline those administrative services. I have personal knowledge of the facts set forth herein and, if  
6 called as a witness, could and would testify competently thereto.

7 2. This Court has also previously appointed Epiq Class Action & Claims Solutions, Inc.  
8 (Epiq) as a claims administrator for the Indirect Purchaser Class (ECF Nos. 2475, 2571).

9 3. As stated in the *Indirect Purchaser Plaintiffs' Plan and Schedule of Distribution and*  
10 *Order* approved on May 02, 2023, the claims administrator received 1,079,487 timely and valid  
11 claims via electronic submission at <https://www.reversethecharge.com>, via email to  
12 [info@reversethecharge.com](mailto:info@reversethecharge.com), and via U.S. Mail.

13 4. During the initial payment distribution, certain class members contacted Epiq to  
14 dispute their claim determinations. Where appropriate, and with approval from counsel, Epiq  
15 attempted adjusted payments to these class members from unclaimed funds. Epiq also processed  
16 previously unverified claims after May 2, 2023. A total of 7,746 additional claimants were added as  
17 valid claims, bringing the total number of claims to 1,087,233. Of these claimants, 1,065,705  
18 requested a digital payment, 1,545 requested a check, and 19,983 requested a wire transfer.

19 5. From May 31, 2023, to June 27, 2023, DigitalPay sent digital payments to claimants.  
20 Epiq received claimant inquiries until September 29, 2023, and DigitalPay sent additional digital  
21 payments through November 9, 2023. 1,341 payment emails were suppressed. Suppressions are  
22 controlled by third party Email Service Providers and individual email recipients, and can result  
23 from the following circumstances:

- 24 • Invalid account (cannot be found);
- 25 • Account no longer in use;
- 26 • Account flagged for fraud;
- 27 • “Temporary” accounts—email accounts opened
- 28 for one transaction and never used again; or

- User unsubscribes / opts out.

6. From June 21, 2023 to February 12, 2024, Epiq sent 1,545 paper checks and 19,983 wire transfers to claimants who had requested those forms of distribution.

7. As set forth in the approved *Indirect Purchaser Plaintiffs' Plan and Schedule of Distribution and Order*, the total Net Settlement Fund Available for Distribution at the start of claimant payouts was \$70,702,515.77. After adjustments for payments delivered, incremental program expenses, and additional Phase 1 re-attempt payments, **\$2,796,908.20** remains for the Phase II second round distribution to class members:

Settlement Funds Available for Distribution	<b>\$70,702,515.77</b>
Successful Checks	(\$2,657,051.51)
Pending Checks	(\$558,358.86)
Successful Wires	(\$57,547,050.88)
Pending Wires	(\$126,295.26)
Successful Digital Payments	(\$6,730,714.25)
Duplicate Payments and Testing	(681.46)
Miller Kaplan Tax Payment	(\$6,944.00)
Re-attempt Phase 1 Payments ( <i>see Section 8 below</i> )	(\$278,511.35)
<b>Net Settlement Funds for 2nd Distribution</b>	<b>\$2,796,908.20</b>

8. There are 1,094 claimants who have actively reached out to Epiq and informed the claims administrators they did not receive their payment due to forgetfulness, email deliverability or other technical issues beyond our control. DigitalPay will attempt to pay these claimants via their current e-mail address on record. If DigitalPay does not receive a response from the claimant via the e-mail address on record, Epiq will continue to try and contact the claimants via phone, physical address, or other email addresses on record (if any of this information is readily and reasonably available).

9. Phase II second round distribution is proposed to consist of two components: a pro-rata distribution of remaining settlement funds to all claimants who accepted funds in Phase I; plus, a small number of payment exceptions to be sent to valid claimants who requested funds after their digital payment acceptance window had expired (see Section 8 above). Any claimants who receive

an exception payment will receive both their original *plus* their appropriate second round pro rata distribution amount.

10. The pro-rata distribution will be calculated by first reducing the net available settlement funds balance by the amount to go to claimants for payment exceptions. After this step, the calculation will be based on a \$1.00 minimum payment<sup>1</sup> for each claimant, plus a pro rata amount based on total units purchased across all categories. Epiq will plan to allocate 90% of the remaining fund to repealer state claims and the remaining 10% to non-repealer state claims.

Payment Type	Number of Claimants	Cumulative Dollar Amount
<b>Checks</b>	1,100	\$ 76,772.96
<b>Wires</b>	19,979	\$ 1,548,426.75
<b>Digital</b>	949,199	\$ 1,171,601.66
<b>TOTAL</b>	<b>970,278</b>	<b>\$ 2,796,801.37</b>

11. Pro rata payments will be received via the same end point as where the claimant received her Phase I funds. However, some digital endpoints such as Target and Starbucks have \$5.00 minimums. Individuals receiving less than \$5.00 for their pro rata distribution who accepted their original payment via Target or Starbucks will only be able to receive their funds on a virtual Mastercard, which can be issued for under \$5.00. DigitalPay will clearly explain this to claimants to avoid friction in the receipt of Phase II funds.

12. DigitalPay expects to begin the Phase II second round of distribution on February 21, 2024, and will finish delivering payments on or before March 27, 2024. Epiq expects to send checks and wire payments to applicable class members by February 23, 2024. All checks issued will have an expiration date of 30 days. On April 19, 2024, DigitalPay and Epiq will be able to provide a final report of any remaining funds after the Phase II distribution. Digital payments and wire transfers will be delivered immediately, so the only variable that would affect the remaining balance is the take

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<sup>1</sup> The \$1.00 minimum payment is recommended to avoid claimant complaints. From experience in other cases, DigitalPay has witnessed friction for payouts under \$1.00.

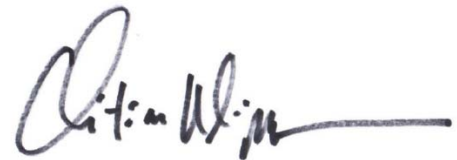
1 rates for physical checks, and the take rates for the 1,094 claimants requesting a re-attempt of their  
2 digital payment. Epiq will make a concerted effort to reach out to claimants who receive a physical  
3 check and remind them to cash it.

4 13. Because Phase 1 payments were made after the current modified deadline due to  
5 claimant inquiries, the administrators propose extending the current schedule by seven weeks. A  
6 significant inquiry made on behalf of 7,693 claimants with a cumulative payment amount of  
7 \$126,295.26 was received during the final stages of Phase 1. The claimants were initially  
8 unreachable, but with approval from counsel, later than scheduled payments were attempted. Also,  
9 during this 7-week proposed extension, administrators will have sufficient time to attempt multiple  
10 contacts to the 1,094 claimants referred to in paragraph 8, to ensure as many of these claimants as  
11 possible receive payment.

12 14. Per the Court's schedule, DigitalPay will submit another post-distribution report on  
13 April 19, 2024 that will confirm (i) the final amount remaining after the second round of  
14 distribution; (ii) the escheatment of the remaining amount to the California Attorney General for use  
15 in prosecuting consumer and antitrust claims; and (iii) that the settlement fund has been reduced to  
16 zero after completing the distribution of the settlement funds for this case.

Event	Current Deadline (ECF No. 2777)	Proposed Modified Deadline
<b>Phase II: Second Round Distribution</b>  Claims administrators, Epiq and DigitalPay securely deliver a final pro rata payment to all payees who took a payment in the Initial Payment Offering (Phase I), including the 1,094 claimants requesting an additional payment attempt. This final phase delivers funds to all entitled claimants with the intent of taking the settlement balance as close to \$0 as possible.  Claims administrator Epiq to reissue checks and wire transfers with a 30-day expiration to those who cashed or received their payment from Phase I distribution.	February 7, 2024	March 27, 2024
<b>Final Reporting</b> Claims administrator DigitalPay to provide final report regarding the disbursement of the settlement funds.  Any remaining funds will be distributed to the California Attorneys General for the Class jurisdictions for use in prosecuting consumer antitrust claims.	March 1, 2024	April 19, 2024

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed this 13<sup>th</sup> day of February 2024, in San Francisco, California.



CHRIS WHIPPS